

## Message Text

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70

ORIGIN TRSE-00

INFO OCT-01 EUR-25 ADP-00 EB-11 SEC-03 AID-20 NSC-10

RSC-01 CIEP-02 SS-15 STR-08 OMB-01 CEA-02 COME-00

XMB-07 OPIC-12 CIAE-00 DODE-00 INR-10 NSAE-00 PA-03

USIA-12 PRS-01 /144 R

DRAFTED BY TREASURY - JHFALL - OASIA/INVESTMENT

7/10/73

APPROVED BY EUR/RPE - FKINNELL

TREASURY - TBISSELL

TREASURY - WMCCAMEY

EB/IFD/OMA - PBALABANIS

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R 112230Z JUL 73

FM SECSTATE WASHDC

TO USMISSION OECD PARIS

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E.O. 11652: N/A

TAGS: EFIN,OECD,US

REF: (A) 16968, (B) DAF/INV/72/27

SUBJECT: INVISIBLES COMMITTEE: VERIFICATION OF RESTRICTIONS BY MEMBER GOVERNMENTS ON CAPITAL MOVEMENTS.

1. US RESTRICTIONS AND DISINCENTIVES DESCRIBED REF (B)

VERIFIED OR AMENDED AS FOLLOWS:

ITEM I/B, OUTWARD DIRECT INVESTMENT: VERIFIED

ITEM III/B1, ISSUE OF FOREIGN SECURITIES ON THE DOMESTIC CAPITAL MARKET: THE INTEREST EQUALIZATION TAX OF JULY 1963 APPLIES TO PURCHASES BY RESIDENTS OF NEW FOREIGN ISSUES. HOWEVER, THERE ARE A NUMBER OF EXCEPTIONS TO THE TAX, THE MOST IMPORTANT OF WHICH ARE THE EXEMPTIONS FOR NEW CANADIAN ISSUES AND FOR ISSUES BY OR GUARANTEED BY LESS DEVELOPED

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COUNTRIES AND FOR ISSUES BY LESS DEVELOPED COUNTRY CORPO-

RATIONS.

ITEM III/B2, INTRODUCTION OF FOREIGN SECURITIES ON A RECOGNIZED DOMESTIC SECURITY EXCHANGE: VERIFIED.

ITEM IV/A2 AND B1, PURCHASE BY RESIDENTS OF LISTED FOREIGN SECURITIES: THE INTEREST EQUALIZATION TAX OF JULY 1963 APPLIES TO PURCHASES BY RESIDENTS OF FOREIGN SECURITIES EXCEPT SECURITIES ISSUED BY OR GUARANTEED BY LESS DEVELOPED COUNTRIES AND FOR ISSUES BY LESS DEVELOPED COUNTRY CORPORATIONS.

ITEM IVA/4 AND B/3, PURCHASE BY RESIDENTS OF UNLISTED FOREIGN SECURITIES: THE INTEREST EQUALIZATION TAX OF JULY 1963 APPLIES TO PURCHASES BY RESIDENTS OF FOREIGN SECURITIES EXCEPT SECURITIES ISSUED BY OR GUARANTEED BY GOVERNMENTS OF LESS DEVELOPED COUNTRIES OR FOR ISSUES BY LESS DEVELOPED COUNTRY CORPORATIONS.

ITEM VIII/B, FINANCIAL CREDITS AND LOANS GRANTED BY RESIDENT FINANCIAL INSTITUTIONS: VERIFIED RESTRICTIONS AND DISINCENTIVES UNDER SECTION X, PERSONAL CAPITAL MOVEMENTS: VERIFIED. ROGERS

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CAPITAL GOODS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 11 JUL 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** thigpegh  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
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**Disposition History:** n/a  
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**Document Unique ID:** 00  
**Drafter:** JHFALL - OASIA/INVESTMENT  
**Enclosure:** n/a  
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**Reference:** 73 (A) 16968, (B) DAF/INV/72/27  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** thigpegh  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 22 AUG 2001  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <22-Aug-2001 by smithrj>; APPROVED <18-Oct-2001 by thigpegh>  
**Review Markings:**

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EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
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